

Douglas I. MacGinnitie Commissioner

State of Georgia Department of Revenue

Frank B' Connell Director

Suite 15300 1800 Century Boulevard Atlanta, Georgia 30345 (404) 417-2100

NOTICE

(Notice MVD 2011-03)

RE: Amendment and Adoption of Rules & Regulations of the Department of Revenue, Motor Vehicle Division:

TO ALL INTERESTED PERSONS AND PARTIES:

I. In compliance with O.C.G.A. § 40-16-2(b)(4), the Georgia Department of Revenue gives notice that it is proposing to repeal certain rules and regulations within Chapters 375-2-4, 560-10-8, and 560-10-17 of the Rules and Regulations of the State of Georgia:

Repeal the following Regulations:

- 375-2-4- 01, entitled "Registration of Vehicle Manufacturers, Distributors and Dealers"
- 375-2-4-.02, entitled "Requirements for Dealer's Established Place of Business"
- 560-10-8-.01, entitled "Motor Vehicle Dealer' Number Plate"
- 560-10-8-.02, entitled "Motor Vehicle Dealer' Demonstration Permits"
- 560-10-8-.03, entitled "Application for a Single Dealer Demonstration Permit"
- 560-10-8-.04, entitled "Application for Blank Dealer' Demonstration Permits"
- 560-10-8-.05, entitled "Contents of Demonstration Permit"
- 560-10-17-.01, entitled "Dealer Temporary License Plates"
- 560-10-17-.02, entitled "Definitions"
- 560-10-17-.03, entitled "Design Standards"
- 560-10-17-.04, entitled "Security Standards"
- 560-10-17-.05, entitled "Security Specifications"
- 560-10-17-.06, entitled "Prohibitions"

II. In compliance with O.C.G.A. § 50-13-4, the Georgia Department of Revenue gives notice that it is proposing to adopt Chapter 560-10-32 and Rules and Regulations under said Chapter for the State of Georgia by proposing to:

Adopt the following new Chapter and Regulations:

Chapter 560-10-32, entitled "Title and Registration Record Provisions"

- 560-10-32-.01, entitled "Definitions"
- 560-10-32-.02, entitled "Requirements for Manufacturers, Distributors, and Dealers"
- 560-10-32-.03, entitled "Requirements for a Dealer's Established Place of Business"
- 560-10-32-.04, entitled "Requirements to Obtain Manufacturer's or New Vehicle Distributor's Master Tags and Additional License Plates"
- 560-10-32-.05, entitled "Temporary Plates"
- 560-10-32-.06, entitled "Design, Manufacture, and Distribution of Temporary Plates and Inserts"
- 560-10-32-.07, entitled "Security Standards and Specifications of Temporary Plates"
- 560-10-32-.08, entitled "Prohibitions for the Use of Dealer Master License Tags, Additional License Plates, and Temporary Plates"

Attached with this notice are exact copies and synopses of the proposed adoption of a new Chapter and Rules. The Chapter and Rules are being adopted under the authority of O.C.G.A. § 48-2-12.

The Department of Revenue shall consider the proposed adoption of the above-referenced Chapter and Rules at 10:00 a.m., on <u>Tuesday</u>, <u>February</u>, 2012 in Suite 15200 of the Department's headquarters at 1800 Century Blvd. NE, Atlanta, GA 30345-3205.

The Department must receive all comments regarding the proposed adoption of the above-referenced Chapter and Rules from interested persons no later than 10:00 a.m. on TUCSCON, FEDDIAM TO 2012. Written comments must be sent to: Commissioner, Georgia Department of Revenue, 1800 Century Blvd. NE, Suite 15300, Atlanta, GA 30345-3205. Electronic comments must be sent to regcomments@dor.ga.gov. Facsimile comments must be sent to (404) 417-6651. Please reference "Notice Number MVD 2011-03" on all comments.

Dated: January A, 2012

Douglàs J. MacGinnitie

Commissioner, Department of Revenue



State of Georgia Department of Revenue Administrative Division – Office of Tax Policy

Memorandum

To:

Commissioner Douglas J. MacGinnitie

From:

Tim Mitchell, Clayton Keith, and Drew Hemmings

CC:

Mack Chandler, Frank O'Connell, Vicki Lambert

Date:

December 28, 2011

Re:

Amendment and Adoption of Rules of the Department of Revenue,

Motor Vehicle Division

Repeal:

- 375-2-4-.01 through 375-2-4-.02 so that these regulations may be assigned from the Department of Driver Services to the authority of the Department of Revenue.
- 560-10-8-.01 through 560-10-8-.05 because there is no longer statutory authority for these regulations.
- 560-10-17-.01 through 560-10-17-.05 because there is no longer statutory authority for these regulations.

Adopt:

- 560-10-32-.01 to establish key terms for the new chapter.
- 560-10-32-.02 through 560-10-32-.04 to provide the requirements and restrictions for businesses operating in the State of Georgia as vehicle manufacturers, distributors, or dealers.
- 560-10-32-.05 through 560-10-32-.08 to provide the requirements and restrictions for temporary license plates issued in the State of Georgia.

Reason for Proposed Changes to Rules: These adjustments are needed to clarify Georgia law regarding temporary registration of motor vehicles and to bring certain regulations of the Department of Driver Services under the authority of the Department of Revenue.

These proposed regulations have been reviewed and approved by the Motor Vehicle Division.

Promulgation deadlines, if applicable: It is requested that the Notice Page be signed no later than January 5, 2012.

Approved: D/m			
Disapproved:			
Approved with Comment:			
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Approved: Nichi Lambut
1-3-2012
Disapproved:
Approved with Comment:

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TABLE OF RULES BEING REPEALED

Repeal rules:

375-2-401 and Dealers	Registration of Vehicle Manufacturers, Distributors
375-2-402 Business	Requirements for a Dealers' Established Place of
560-10-801	Motor Vehicle Dealer' Number Plate
560-10-802	Motor Vehicle Dealer' Demonstration Permits
560-10-803	Application for a Single Dealer Demonstration Permit
560-10-804	Application for Blank Dealer' Demonstration Permits
560-10-805	Contents of Demonstration Permit
560-10-17-01	Dealer Temporary License Plates
560-10-1702	Definitions
560-10-17-03	Design Standards
560-10-1704	Security Standards
560-10-1705	Security Specifications
560-10-1706	Prohibitions

RULES OF

DEPARTMENT OF DRIVER SERVICES REGISTRATION AND LICENSING OF VEHICLES DIVISION

CHAPTER 375-2-4 MOTOR VEHICLE DEALERS

375-2-4-.01 - Registration of Vehicle Manufacturers, Distributors and Dealers

- This Rule is being Repealed so that it can be transferred from the authority of the Department of Driver Services to the authority of the Department of Revenue.
- An amended version of this Rule will be found in the Department of Revenue's Motor Vehicle Division Rules and Regulations in the newly proposed Chapter 560-10-32, "Title and Registration Record Provisions."

RULES OF

DEPARTMENT OF REVENUE REGISTRATION AND LICENSING OF VEHICLES

CHAPTER 375-2-4 MOTOR VEHICLE DEALERS PROVISIONS

375-2-4-.01 Registration of Manufacturers, Distributors, and Dealers of Motor Vehicles.

- (1) Manufacturers, distributors and dealers of motor vehicles shall apply for registration using Form MV-6. Incomplete forms and forms completed incorrectly shall be rejected and returned to the applicant with the application fee.
- (2) In addition to submitting Form MV 6, all franchise dealer applications must include photographs of the dealer's established place of business. Said photographs shall include the salesroom or sales office, the lot and the sign.
- (3) No lot may contain more than one (1) dealer.

RULES OF DEPARTMENT OF DRIVER SERVICES REGISTRATION AND LICENSING OF VEHICLES DIVISION

CHAPTER 375-2-4 MOTOR VEHICLE DEALERS

375-2-4-.02 - Requirements for Dealer's Established Place of Business

- This Rule is being Repealed so that it can be transferred from the authority of the Department of Driver Services to the authority of the Department of Revenue.
- An amended version of this Rule will be found in the Department of Revenue's Motor Vehicle Division Rules and Regulations in the newly proposed Chapter 560-10-32, "Title and Registration Record Provisions."

RULES OF

DEPARTMENT OF REVENUE REGISTRATION AND LICENSING OF VEHICLES

CHAPTER 375-2-4 MOTOR VEHICLE DEALERS PROVISIONS

375-2-4-.02 Requirements for Dealer's Established Place of Business.

- (1) Each dealer must maintain an inventory of at least five (5) vehicles at all times. Every franchise dealer must maintain an inventory of at least five (5) vehicles manufactured by each manufacturer from which it holds a franchise.
- (2) The lot on which each dealer maintains its established place of business must be large enough to allow its minimum required inventory to be parked on the premises.
- (3) Franchise dealers must install and maintain a sign visible from the front of the business and containing at least the name of the dealership.
- (4) Failure to comply with the requirements of this regulation may result in the revocation of a dealer's registration and license plates.

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-8 DEALER TAGS (PERMITS FOR DEMONSTRATION PURPOSES)

560-10-8-.01 - Motor Vehicle Dealers' Number Plate. Amended.

- This Rule is being Repealed.
- There is no longer statutory authority for this Rule.

CHAPTER 560-10-8 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-8-.01 Motor Vehicle Dealers' Number Plate. Amended.

Motor vehicle dealers who have paid the proper occupational tax required by Code Section 68 213 and who have been issued distinguishing dealers' numbers as provided for by law may, in accordance with these regulations, permit prospective purchasers to use passenger cars and motorcycles without the payment of the license fees required by Georgia Code Section 92-2902. The use of such vehicles shall be for demonstration purposes only, and such use is limited to three consecutive days. The vehicles so used must at all times carry the dealer's number plate, and may be so used without any special permit from the Department of Revenue. Said plates shall be an annual plate.

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-8 DEALER TAGS (PERMITS FOR DEMONSTRATION PURPOSES)

560-10-8-.02 - Motor Vehicle Dealer's Demonstration Permits

- This Rule is being Repealed.
- There is no longer any statutory authority for this Rule.

CHAPTER 560-10-8 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-8-.02 Motor Vehicle Dealers' Demonstration Permits.

Motor vehicle dealers duly registered as above may permit prospective purchasers of vehicles other than passenger automobile and motorcycles to use such vehicles under loaded conditions for demonstration purposes without the payment of the license fees required by Code Section 92 2902, provided a demonstration permit with respect to such use has been issued by the State Revenue Commissioner. A demonstration permit may be issued for a period of two consecutive days, and shall be carried in the vehicle at all times during the demonstration period. Such a demonstration permit shall not be required except where the prospective purchaser is using the vehicle under loaded conditions in the field.

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-8 DEALER TAGS (PERMITS FOR DEMONSTRATION PURPOSES)

560-10-8-.03 - Application for a Single Dealer Demonstration Permit

- This Rule is being Repealed.
- There is no longer any statutory authority for this Rule.

CHAPTER 560-10-8 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-8-.03 Application for Single Dealer Demonstration Permit.

Demonstration permits will be issued by the State Revenue Commissioner for the use of such prospective purchasers whenever the registered dealer shall make application for such permit. The application shall be made in writing to the Commissioner and must be signed by both the prospective purchaser and the registered dealer. A service charge of one dollar shall be made for each permit to reimburse the cost of the issuance of such permit and shall accompany the application. Their funds shall be remitted to the General Treasury the same as other revenue collections.

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-8 DEALER TAGS (PERMITS FOR DEMONSTRATION PURPOSES)

560-10-8-.04 - Application for Blank Dealer' Demonstration Permits

- This Rule is being Repealed.
- There is no longer any statutory authority for this Rule.

CHAPTER 560-10-8 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-8-.04 Application for Blank Dealers' Demonstration Permits.

- A registered dealer in good standing may secure from the Commissioner demonstration permits issued in blank in advance of such dealers' needs under the following conditions:
- (a) the posting of a bond in the amount of \$1,000.00 with the Department of Revenue conditioned upon the faithful performance of these requirements:
- 1. the dealer will complete the blank permit in full and mail a copy of the same to the Department of Revenue prior to the delivery of the vehicle to the prospective purchaser.
- 2. the dealer will not use the blank permit for other than bona fide demonstration purposes.
- 3. the dealer will not allow his dealer plates or the demonstration permits to be used in connection with any vehicle leased by the dealer to any person.
- (b) the permits will be obtained from the Commissioner and will be paid for at the time they are secured even though issued in blank.

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-8 DEALER TAGS (PERMITS FOR DEMONSTRATION PURPOSES)

560-10-8-.05 - Contents of Demonstration Permit

- This Rule is being Repealed.
- There is no longer any statutory authority for this Rule.

CHAPTER 560-10-8 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-8-.05 Contents of Demonstration Permit.

- A demonstration permit must contain
- (1) a description of the vehicle,
- (2) the dates of the demonstration period, and
- (3) the name of the driver or drivers of the vehicle and shall be signed
- by both the dealer and the prospective purchaser.

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-17 DEALER TEMPORARY LICENSE PLATES

560-10-17-.01 - Dealer Temporary License Plates

- This Rule is being Repealed because an amended version of this Rule is being created to clarify and add new requirements for dealer temporary license plates.
- An amended version of this Rule will be found in the Department of Revenue's Motor Vehicle Division Rules and Regulations in the newly proposed Chapter 560-10-32, "Title and Registration Record Provisions."

CHAPTER 560-10-17 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-17-.01 Dealer Temporary License Plates.

- (1) Any-motor-vehicle described in O.C.G.A. § 40-2-20, except a vehicle that must be registered under the International-Registration Plan or a salvage motor vehicle, that is operated on the public highways and streets of this state which has been purchased from a new or used motor vehicle dealer shall display a temporary license plate issued by the new or used motor vehicle dealer on the rear of such vehicle in the space provided for a license plate-during the 30-day period prior to registration. If the purchaser of such motor vehicle sells or otherwise transfers to the new or used motor vehicle dealer a motor vehicle of the same classification with a current license plate and registration issued to such purchaser, the license plate from the vehicle that has been sold or otherwise transferred, shall be displayed on the new vehicle that has been purchased or otherwise transferred from the new or used motor vehicle dealer until such time as the registration has been applied for and issued.
- (2) The department shall not provide or procure the dealer temporary license plate for a vehicle that has been purchased or otherwise transferred from a new or used motor vehicle dealer.
- (3) It shall be the responsibility of the dealer to obtain or procure dealer temporary license plates to issue in accordance with this Chapter. However, nothing in this regulation shall prohibit any "Not For Profit" association including, but not limited to, the several dealers associations of Georgia from providing or procuring temporary license plates for distribution and sale to dealers after receiving written approval from the commissioner prior to implementing any dealer temporary license plate procurement program.
- (4) By competitive bid approved by the commissioner, these "Not For Profit" associations may manufacture or have manufactured, may store or have stored, or may distribute or have distributed temporary license plates for any licensed dealer in the State of Georgia. The fee for this service shall not exceed the actual cost of the dealer

CHAPTER 560-10-17 TITLE AND REGISTRATION RECORD PROVISIONS

temporary license plate in addition to a reasonable cost for storage, shipping and handling.

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-17 DEALER TEMPORARY LICENSE PLATES

560-10-17-.02 - Definitions

- This Rule is being Repealed because an amended version of this Rule is being created to add key terms and expand definitions.
- An amended version of this Rule will be found in the Department of Revenue's Motor Vehicle Division Rules and Regulations in the newly proposed Chapter 560-10-32, "Title and Registration Record Provisions."

CHAPTER 560-10-17 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-17-.02 Definitions.

- (1) "New-or-used motor vehicle dealer" has the same meaning as in O.C.G.A. §§ 43-47-2 and 40-2-39, and the "commissioner has issued" means that a current and valid-dealer master tag and permanent-dealer identification number is issued.
- (2) "To have a registration issued" means that upon the proper filing of an application for transfer and payment of applicable fees, the current and valid license plate and registration shall be issued to the owner for the vehicle purchased from a new or used motor vehicle dealer after the current and valid license plate has been removed from the vehicle sold or traded.
- (3) "A dealer temporary license plate" means a license plate made of heavy stock paper, which may include the dealer's name and location; which must include a place for the expiration date to be inscribed; and which shall not resemble any license plate, or temporary permit issued by the State of Georgia.
- (4) "Holographic security image" means an image that contains multiple layers of a rt constructed to produce a three dimensional and color changing image when viewed from one or more angles.
- (5) "Expiration date" means a month, day and year that is 30 calendar days after the purchase of a motor vehicle from a new or used motor vehicle dealer.
- (6) "Not For Profit" associations are designated by Internal Revenue Service Code § 501(c)(6) or their wholly owned subsidiaries.

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-17 DEALER TEMPORARY LICENSE PLATES

560-10-17-.03 - Design Standards

- This Rule is being Repealed because an amended version of this Rule is being created to add a new requirement that all dealer temporary license plates are registered with the Department by a computer interface.
- An amended version of this Rule will be found in the Department of Revenue's Motor Vehicle Division Rules and Regulations in the newly proposed Chapter 560-10-32, "Title and Registration Record Provisions."

CHAPTER 560-10-17 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-17-.03 Design Standards.

- (1) The design standards for the temporary license plate issued under this chapter are intended to incorporate the standards of the American Association of Motor Vehicle Administrators (AAMVA) and their participating jurisdictions. A dealer temporary license plate shall be made of heavy stock paper designed to resist deterioration or fading due to exposure during the 30 day time period which this dealer temporary license plate is required to be displayed. The heavy stock paper shall withstand; for the life expectancy, sunlight (UV light), temperature extremes (30 to 150 degrees F) and moisture (all outside weather conditions). The life expectancy of the dealer temporary license plate shall be no more than the time period specified in O.C.G.A. § 40-2-8.
- (2) The dealer may have the dealer temporary license plate prepared with the name of the dealership along with the address, in accordance with these provisions.
- (3) A dealer temporary license plate issued by a new or used motor vehicle dealer shall be the same size of a general issue license plate of the state of Georgia.
- (4) A dealer temporary license plate shall have a place represented by a rectangular box on the license plate to write the expiration month, day and year in dimensions of no less than 2 inches high and 8 inches wide.
- (5) The expiration date shall be clearly legible and contain the complete spelling of the month and the numerical date including a two-digit year. The expiration date shall be written using permanent ink or marker in black or dark blue ink as prescribed in O.C.G.A. § 40 2 8. The expiration date shall not be written with a pencil, ballpoint pen, or similar instrument. (See Diagram 1 that follows Rule Chapter.)

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-17 DEALER TEMPORARY LICENSE PLATES

560-10-17-.04 - Security Standards

- This Rule is being Repealed because an amended version of this Rule is being created to add security standards for dealer temporary license plates, including numbering and tracking each temporary plate and adding inventory records of all temporary plates created by the serial number and dealer identification number.
- An amended version of this Rule will be found in the Department of Revenue's Motor Vehicle Division Rules and Regulations in the newly proposed Chapter 560-10-32, "Title and Registration Record Provisions."

CHAPTER 560-10-17 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-17-.04 Security Standards.

- (1) Dealer temporary license plates that new or used motor vehicle dealers issue under this chapter shall be stored and secured, as would any item of value that requires extra security so that dealer temporary license plates are not visible or accessible except in the course of a business transaction.
- (2) Any-delivery or shipment of temporary license-plates shall be secure in order that any delivery is traceable from the point of origin to the point of delivery.

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-17 DEALER TEMPORARY LICENSE PLATES

560-10-17-.05 - Security Specifications

- This Rule is being Repealed because an amended version of this Rule is being created to incorporate security specifications with security standards.
- An amended version of this Rule will be found in the Department of Revenue's Motor Vehicle Division Rules and Regulations in the newly proposed Chapter 560-10-32, "Title and Registration Record Provisions."

CHAPTER 560-10-17 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-17-.05 Security Specifications.

- (1) The dealer temporary license plate shall have a white or light colored background on which to write the expiration date. This background shall be centered on the bottom of the dealer temporary license-plate.
- (2) The background-shall not be smaller than 8 inches wide and 2 inches high.
- (3) The space to write the expiration date shall consist of a light colored background, a holographic security image and a clear write resistant overlay with security features so that any attempt to change or modify the expiration date on the dealer temporary license plate will show an immediate sign of tampering.
- (4) The holographic security image shall be no smaller than .5 inches high and 7 inches long. It shall also contain a delaminating feature which, when the hologram is tampered with or separated from the dealer temporary license plate or overlay, shall cause the holographic image to be destroyed.
- (5) The write resistant overlay shall-repel commercially available inks and marking pens. Ink should not adhere to the write-resistant overlay and shall show clear round beads.
- (6) A dealer temporary license plate may have a line above the space reserved for the dealer to write the vehicle description to include the identification number, make, model and year of the vehicle along with the dealer's identification number. (See Diagram 2 that follows Rule Chapter.)

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-17 DEALER TEMPORARY LICENSE PLATES

560-10-17-.06 - Prohibitions

- This Rule is being Repealed because an amended version of this Rule is being created to add additional prohibitions and to eliminate certain prohibitions that are no longer applicable.
- An amended version of this Rule will be found in the Department of Revenue's Motor Vehicle Division Rules and Regulations in the newly proposed Chapter 560-10-32, "Title and Registration Record Provisions."

CHAPTER 560-10-17 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-17-.06 Prohibitions.

- (1) The words "tag applied for" or similar statements shall not be written or stamped anywhere on the dealer temporary license plate.
- (2) The dealer temporary license plate provisions shall not apply to a dealer whose primary business is the sale of salvage motor vehicles and other vehicles on which insurers have paid total loss claims.
- (3) The dealer temporary license plate shall not be renewed or extended beyond the initial expiration date.
- (4) The dealer temporary license plate shall not be placed on any vehicle other than a motor vehicle that has been purchased by a retail customer from a licensed dealer as defined in 560 10 17 .02(1).
- (5) The dealer temporary license plate shall not be placed on any vehicle that is not self propelled.
- (6) Georgia dealer-shall not charge a fee for the dealer temporary license plate.
- (7) A Georgia dealer shall not use a dealer temporary license plate for any other purpose including demonstration, employee use, or transporting vehicles from one location to another.
- (8) The dealer shall not provide a dealer master tag that has been issued to the dealer by the commissioner to a retail customer for display on a motor vehicle sold to the retail customer during the period specified in O.C.G.A. § 40-2-8.

TABLE OF PROPOSED RULES

Adopt rules for new Chapter 560-10-32 – Title and Registration Record Provisions:

560-10-3201	Definitions
560-10-3202	Requirements for Manufacturers, Distributors, and Dealers
560-10-3203	Requirements for a Dealer's Established Place of Business
560-10-3204	Requirements to Obtain Manufacturer's or New Vehicle Distributor's Master Tags and Additional License Plates
560-10-3205	Temporary Plates
560-10-32-06	Design, Manufacture, and Distribution of Temporary Plates and Inserts
560-10-3207	Security Standards and Specifications of Temporary Plates
560-10-32-208	Prohibitions for the Use of Dealer Master Tags, Additional License Plates, and Temporary Plates

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-32-.01 - Definitions

- This Rule is being adopted in compliance with HB 112 (2011-2012).
- The adoption of this Rule is needed to explain key terms for the Chapter.

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-32-.01 Definitions.

- (1) "Additional License Plates" means any additional license plates issued according to the number of qualified retail sales subsequent to the Master Tag upon proper application and fees.
- (2) "Commissioner" means the state revenue commissioner.
- (3) "Department" means the Department of Revenue.
- (4) "Expiration Date" means 30 calendar days after the purchase of a motor vehicle from a New Vehicle Dealer or Used Vehicle Dealer.
- (5) "Insert" has the meaning assigned to it in Chapter 560-10-32-05(2)(b).
- (6) "Lot" shall have the same meaning as provided for in O.C.G.A. § 40-2-39(a)(3).
- (7) "Master Tag" means the first license plate and registration issued by the Department.
- (8) "New Vehicle Dealer" has the same meaning as in O.C.G.A. §§ 40-1-1(11) and 40-2-39(a)(1).

- (9) "New Vehicle Distributor" or "Distributor" shall have the same meaning as provided for in O.C.G.A. § 40-2-39(a)(2) with an established Place of Business in the State of Georgia.
- (10) "Not for Profit Dealers Associations" are designated by Internal Revenue Service Code § 501(c)(6) and shall include their wholly owned subsidiaries and representatives of Georgia New Vehicle Dealers or Used Vehicle Dealers.
- (11) "Place of Business" means a location within Georgia where a New Vehicle Distributor or Vehicle Manufacturer operates their business as a New Vehicle Distributor or as a Vehicle Manufacturer.
- (12) "Registered Temporary Plate Distributor" means members of the Not for Profit Dealers Association of Georgia who have authority to distribute Temporary Plates to New Vehicle Dealers and Used Vehicle Dealers.
- (13) "Registration" means upon the proper application and payment of fees, a certificate of registration containing a permanent New Vehicle Dealer or Used Vehicle Dealer identification number issued by the Department
- (14) "Security Image" means the image designed by the Department for the Manufacturer to use for the Temporary Plate.
- (15) "Temporary Plate" means a temporary license plate as provided for in O.C.G.A. § 40-2-8(b).
- (16) "Temporary Site" shall have the same meaning as provided for in O.C.G.A. § 40-2-39(a)(8).
- (17) "Used Vehicle Dealer" has the same meaning as O.C.G.A. §§ 40-1-1(11) and 43-47-2(17).

(18) "Vehicle Manufacturer" or "Manufacturer" shall have the same meaning as provided for in O.C.G.A. §§ 40-1-1(26) and 40-2-39(a)(4).

Authority: O.C.G.A. §§ 40-1-1, 40-2-8, 40-2-11, 40-2-38, 40-2-39, and 43-47-2.



RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-32-.02 - Requirements for Manufacturers, Distributors, and Dealers

- This Rule is being adopted in compliance with HB 112 (2011-2012).
- The adoption of this Rule is needed to explain how manufacturers, distributors, and dealers should operate to be in compliance with Department regulations and statutory law. This proposed Rule is also needed to set forth administrative fines for new vehicle dealers that violate certain restrictions.

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROMISIONS

560-10-32-.02 Requirements for Manufacturers, Distributors, and Dealers.

- (1) Vehicle Manufacturers, New Vehicle Distributors, New Vehicle Dealers, and Used Vehicle Dealers shall apply for Registration using a form distributed by the Department. Incomplete forms and forms completed incorrectly shall be rejected and returned to the applicant with the application fee.
- (2) New Vehicle Dealer applications must include photographs of the New Vehicle Dealer's Lot.
- (3) Used Vehicle Dealer applications must include an active license pursuant O.C.G.A. § 43-47-1, cited in the "Used Motor Vehicle Dealers' and Used Motor Vehicle Parts Dealers' Registration Act."
- (4) No Lot may contain more than one (1) New Vehicle Dealer or Used Vehicle Dealer.
- (5) New Vehicle Dealers and Used Vehicle Dealers shall not conduct business as a New Vehicle Dealer or as a Used Vehicle Dealer except at their Lot or at a location where the New Vehicle Dealer has obtained a Temporary Site permit.
- (6) New Vehicle Dealers that have not obtained a Temporary Site permit in violation of this Regulation may be subject to the following

administrative fines issued by the Commissioner in compliance with O.C.G.A. § 40-2-39(c):

- (a) For the first offense, an administrative fine of \$100.00 per vehicle sold;
- (b) For the second offense, an administrative fine of \$500.00 per vehicle sold and suspension of Registration for no more than three days; or
- (c) For the third and all subsequent offenses, an administrative fine of \$1,000.00 per vehicle sold and suspension of Registration for no more than ten days.

Authority: O.C.G.A. §§ 40-2-11 and 40-2-39.

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-32-.03 - Requirements for a Dealer's Established Place of Business

- This Rule is being adopted in compliance with HB 112 (2011-2012).
- The adoption of this Rule is needed to explain the requirements for new and used vehicle dealers to operate and maintain a place of business in Georgia, including inventory requirements, lot size, and appearance.

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROMISIONS

560-10-32-.03 Requirements for a Dealer's Established Place of Business.

- (1) New Vehicle Dealers must maintain an inventory of at least five (5) new vehicles manufactured by each Manufacturer from which it holds a franchise.
- (2) New Vehicle Dealers and Used Vehicle Dealers must:
- (a) Maintain an inventory of vehicles readily available for sale at all times;
- (b) Operate on a Lot that is large enough for a sales office, vehicle maintenance, and allows for the minimum required inventory to be displayed on the premises; and
- (c) Install and maintain a sign visible from the front of the business that contains at least the name of the dealership.
- (3) Failure to comply with the requirements of this Regulation may result in the Department revoking the New Vehicle Dealer's or Used Vehicle Dealer's Registration, Master Tag, and Additional License Plate.

Authority: O.C.G.A. §§ 40-2-11, 40-2-38, and 40-2-39.

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-32-.04 — Requirements to Obtain Manufacturer's or New Vehicle Distributor's Master Tags and Additional License Plates

- This Rule is being adopted in compliance with HB 112 (2011-2012).
- The adoption of this Rule is needed to provide the qualifications to obtain manufacturer's or distributor's license plates and to provide certain restrictions for the use of vehicles by manufacturers and distributors.

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-32-.04 Requirements to Obtain Manufacturer's or New Vehicle Distributor's Master Tags and Additional License Plates

- (1) To qualify for a Manufacturer's or Distributor's Master Tag and Additional License Plates, a Vehicle Manufacturer or New Vehicle Distributor shall provide to the Department:
- (a) Proof that such Manufacturer or Distributor maintains a Place of Business in the State of Georgia
- (b) The Vehicle Identification Number (VIN) of the Manufacturer's or Distributor's motor vehicle that the Manufacturer's or Distributor's Master Tag or Additional License Plate will be attached to;
- (c) The name and address of each individual that will be allowed to operate the vehicle with the Manufacturer's or Distributor's Master Tag or Additional Dicense Plate; and
- (d) The manner of use of the motor vehicle for which the Manufacturer's or Distributor's Master Tag or Additional License Plate is being issued.
- (2) The Vehicle Manufacturer or New Vehicle Distributor shall not operate a vehicle longer than six-months (6) and must provide the

VIN of each vehicle operated within three (3) days when another vehicle is placed in service.

Authority: O.C.G.A. §§ 40-2-11 and 40-2-39.



RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-32-.05 — Temporary Plates

- This Rule is being adopted in compliance with HB 112 (2011-2012).
- The adoption of this Rule is needed to provide the requirements for temporary plates issued in the State of Georgia. This proposed Rule is also needed to explain certain restrictions on the procurement of, and fees charged for, temporary plates.

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-32-.05 Temporary Plates.

- (1) Temporary Plates shall consist of two parts:
- (a) A non-permanent license plate that is the same size as a State of Georgia general issue license plate and is displayed no longer than the time period specified in O.C.G.A. §§ 40-2-8(b) and 40-2-20; and
- (b) An Insert, which is:
- (i) A sticker designed by the Department and provided by a Registered Temporary Plate Distributor, with security features;
- (ii) Machine printed and affixed to the Temporary Plate at the time of purchase;
- (iii) Obtained from the Department or one of the Department's Registered Temporary Plate Distributors; and
- (iv) Issued by the New Vehicle Dealer or Used Vehicle Dealer at the time of purchase.
- (2) All motor vehicles described in O.C.G.A. § 40-2-20 that are operated on the public highways and streets of this state and are purchased from a New Vehicle Dealer or a Used Vehicle Dealer shall display a Temporary Plate issued by such New Vehicle Dealer or Used Vehicle Dealer on the rear of the vehicle in the area provided for

- a license plate during the initial registration period. This requirement does not apply to:
- (a) Vehicles that must be registered under the International Registration Plan pursuant to O.C.G.A § 40-2-3A; or
- (b) Salvage motor vehicles.
- (3) New Vehicle Dealers and Used Vehicle Dealers shall not
- (a) Obtain or procure the Temporary Plate from any entity other than the Department or one of the Department's Registered Temporary Plate Distributors; or
- (b) Charge a fee that exceeds the actual cost of the Temporary Plate plus standard shipping and handling costs.

Authority: O.C.G.A. §§ 40=2=8 and 40-2-20

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-32-.06— Design, Manufacture, and Distribution of Temporary Plates and Inserts

- This Rule is being adopted in compliance with HB 112 (2011-2012).
- The adoption of this Rule is needed to allow the Department to design and
 produce temporary plates and inserts. This proposed Rule is also needed to
 allow the Department to enter into contracts with not for profit dealers
 associations in Georgia for the distribution of temporary plates on the
 Department's behalf.

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-32-.06 Design, Manufacture, and Distribution of Temporary Plates and Inserts.

- (1) Temporary Plates issued to New Vehicle Dealers or Used Vehicle Dealers shall:
- (a) Be designed to resist deterioration or fading due to exposure during the 30-day initial registration period in which the Temporary Plate is required to be displayed;
- (b) Be the same size of a general issue license plate of the State of Georgia; and
- (c) Include an area represented by a rectangular space to affix the Insert onto the temporary registration printed in accordance with this Chapter.
- (2) Temporary Plates issued to New Vehicle Dealers or Used Vehicle Dealers may include the name of the dealership along with the address, in accordance with these provisions.
- (3) The Department may enter into contracts with Not for Profit Dealers Associations in Georgia as Registered Temporary Plate Distributors.

- (4) The Department will provide Temporary Plates only to Registered Temporary Plate Distributors who then may only issue Temporary Plates to Registered New Vehicle Dealers or Used Vehicle Dealers.
- (5) The Department shall determine the design and procurement of Temporary Plate Inserts and provide the inventory of the Inserts to Registered Temporary Plate Distributors.
- (6) The Registered Temporary Plate Distributors shall be authorized to distribute Temporary Plate Inserts to New Vehicle Dealers and Used Vehicle Dealers who have an active Registration issued by the Department and who comply with all applicable provisions of Chapter 560-10-32-.03.

Authority: O.C.G.A. §§ 40-2-8 and 40-2-11.

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-32-.07 — Security Standards and Specifications for Temporary Plates

- This Rule is being adopted in compliance with HB 112 (2011-2012).
- The adoption of this Rule is needed to provide for the production of the security image that will be affixed on the temporary plates and to allow the Department to set security standards for temporary plates, including numbering and establishing inventory records. This proposed Rule also establishes the punishment for new or used vehicle dealers that violate the Department's security standards for temporary plates.

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-32-.07 Security Standards and Specifications for Temporary Plates.

- (1) A Security Image shall be designed by the Department for the Manufacturer to affix on the Temporary Plate. The Department may alter or change the Security Image at will and with no prior notice.
- (2) Temporary Plates shall be:
- (a) Numbered by the Department and contain the Department's Registered Temporary Plate Distributor's assigned registration number and a serial number;
- (b) Stored and secured, as would any item of value that requires extra security, so that Temporary Plates are not openly visible or accessible except in the course of a business transaction; and
- (c) Registered with the Department by each New Vehicle Dealer and Used Vehicle Dealer by a computer interface with either a third-party provider authorized by the Department or the Department's Registered Temporary Plate Distributor. The third-party provider shall have an agreement with the Department for full-service title and registration known as Electronic Title and Registration (ETR). The Department's Registered Temporary Plate Distributor shall provide a computer interface for temporary registration.

- (3) New Vehicle Dealers and Used Vehicle Dealers that do not register the purchase of a vehicle by either ETR or the Department's Registered Temporary Plate Distributor shall apply for title, registration, and obtain a license plate in the office of the purchaser's County Tag Agent prior to the delivery and operation of the vehicle.
- (4) The Department's Registered Temporary Plate Distributor shall record and maintain an inventory record of each Temporary Plate by the serial number and dealer identification number.
- (5) Any delivery or shipment of Temporary Plates shall be secure so that every delivery is traceable from the point of origin to the point of delivery.
- (6) Any New Vehicle Dealer or Used Vehicle Dealer that issues a Temporary Plate not in accordance with these Regulations is in violation of state law. Such violation shall be punishable as a misdemeanor according to O.C.A. § 40-2-2.

Authority: O.C.G.A. §§ 40-2-2, 40-2-8, and 40-2-11.

RULES OF DEPARTMENT OF REVENUE MOTOR VEHICLE DIVISION

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-32-.08 — Prohibitions for the Use of Dealer Master Tags, Additional License plates, and Temporary Plates

- This Rule is being adopted in compliance with HB 112 (2011-2012).
- The adoption of this Rule is needed to explain the prohibitions for the use and distribution of dealer master tags, additional license plates, and temporary plates by new and used vehicle dealers.

CHAPTER 560-10-32 TITLE AND REGISTRATION RECORD PROVISIONS

560-10-32-.08 Prohibitions for the Use of Dealer Master Tags, Additional License Plates, and Temporary Plates.

- (1) Temporary Plates shall not be:
- (a) Issued to a vehicle which is branded as a salvage vehicle as defined in § O.C.G.A. 43-47-2(14) or to a New Vehicle Dealer or to a Used Vehicle Dealer whose primary business is the sale of salvage motor vehicles and other vehicles on which insurers have paid total loss claims;
- (b) Hand printed or be placed on any vehicle other than a motor vehicle that has been purchased by a retail customer from a registered New Vehicle Dealer of a registered Used Vehicle Dealer; or
- (c) Obtained of procured from any source other than the Department's Registered Temporary Plate Distributor.
- (2) New Vehicle Dealers and Used Vehicle Dealers shall not:
- (a) Issue additional Temporary Plates or extend the Expiration Date beyond the initial registration period;
- (b) Charge a fee for the issuance or registration of the Temporary Plate;

- (c) Use a Temporary Plate for any purpose not specified in these Regulations, including: demonstration, employee use, or transporting vehicles from one location to another; or
- (d) Provide a Master Tag or any Additional License Plate to any person, including a retail customer, in lieu of a Dealer Temporary Plate, unless permitted to do so by law.

